

RECORDATION NO. 17214-F FILED

ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N.W.
SUITE 301
WASHINGTON, D.C.

20036

(202) 393-2266

FAX (202) 393-2156

E-MAIL alvordlaw@aol.com

JAN 31 '05 1:41 PM

SURFACE TRANSPORTATION BOARD

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

January 31, 2005

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Lease Termination, Release of Liens and Bill of Sale, dated as of January 28, 2005, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document is a complete release and lease termination and relates to the Lease and Security Agreement previously filed with the Commission under Recordation Number 17214.

The names and addresses of the parties to the enclosed document are:

Lender and Agent: The Sumitomo Mitsui Banking Corporation,
New York Branch
(formerly, The Sumitomo Bank, Limited)
777 South Figueroa Street
Los Angeles, California 90017-5824

Lessor: NBB Bethlehem Lease Co., Ltd.
c/o Nomura Babcock & Brown Co., Ltd
1-11-1 Nihouhashi
Chou Ku, Tokyo
Japan

Mr. Vernon A. Williams
January 31, 2005
Page 2

Lessee: Union Pacific Railroad Company
1416 Dodge Street
Omaha Nebraska 68179-0001

A description of the railroad equipment covered by the enclosed document
is:

27 locomotives: UP 6216 - UP 6242.

A short summary of the document to appear in the index is:

Lease Termination, Release of Liens and Bill of Sale.

Also enclosed is a check in the amount of \$32.00 payable to the order of
the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the
undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm
Enclosures

EXECUTION VERSION

LEASE TERMINATION,
RELEASE OF LIENS
AND
BILL OF SALE

RECORDATION NO. 17214-F FILED

JAN 31 '05 1-41 PM

Dated as of January 28, 2005

SURFACE TRANSPORTATION BOARD

Among

UNION PACIFIC RAILROAD COMPANY

as Lessee

NBB BETHLEHEM LEASE CO., LTD.

as Lessor

and

THE SUMITOMO MITSUI BANKING CORPORATION,
(formerly, The Sumitomo Bank, Limited),
NEW YORK BRANCH

as Agent and Lender

THIS AGREEMENT SHALL BE FILED WITH THE SURFACE TRANSPORTATION BOARD AND, UPON SUCH FILING, EACH OF THE DOCUMENTS DESCRIBED ON EXHIBIT B ATTACHED HERETO, AND THE INTERESTS OF THE PARTIES EVIDENCED THEREBY, SHALL BE TERMINATED OR RELEASED, AS THE CASE MAY BE, WITH RESPECT TO THE EQUIPMENT DESCRIBED ON EXHIBIT A ATTACHED HERETO.

THIS LEASE TERMINATION, RELEASE OF LIENS AND BILL OF SALE (this "Agreement"), dated as of January 28, 2005, among UNION PACIFIC RAILROAD COMPANY, a Delaware corporation (the "Lessee"), NBB BETHLEHEM LEASE CO., LTD., a corporation formed under the laws of Japan (the "Lessor") and THE SUMITOMO MITSUI BANKING CORPORATION (formerly, The Sumitomo Bank, Limited), a financial institution organized under the laws of Japan, acting through its branch in New York (the "Agent" and the "Lender").

WITNESSETH

WHEREAS, (i) the Lessor and the Lessee have heretofore entered into a Lease Agreement, an Assignment Agreement and a Lessor Security Agreement, each dated as of January 31, 1991, (ii) the Lessor and the Lender have heretofore entered into a Loan Agreement dated as of January 31, 1991 and (iii) the Lessor and the Agent have heretofore entered into a Security Assignment and a Bank Security Agreement, each dated as of January 31, 1991 (such documents referred to herein as the "Lease", the "Assignment", the "Lessor Security Agreement", the "Loan Agreement", the "Security Assignment" and the "Bank Security Agreement", respectively) (Capitalized terms used herein without definition shall have the respective meanings set forth in the Lease);

WHEREAS, the Lease provides for the transfer of all of the Lessor's right, title and interest in and to the Locomotives listed on Exhibit A attached hereto and incorporated herein by this reference (the "Equipment") and for the termination of the Lease should Lessee exercise its purchase option in accordance with Section 19 of the Lease; and

WHEREAS, the Lessee provided notice to Lessor dated December 2, 2004 that it has elected to exercise its purchase option and has paid the Purchase Price in full in accordance with Section 19 of the Lease.

NOW THEREFORE, in consideration of the premises and for good and sufficient consideration, the parties hereto hereby agree as follows:

1. The Lender does hereby acknowledge receipt of the Loan Repayment Installment (as defined in the Loan Agreement) payable by the Lessor to the Lender under the Loan Agreement on the Loan Payment Date (as defined in the Loan Agreement) falling on January 28, 2005 and in consideration of which the Agent releases its right, title and interest in and to the Mortgaged Property (as defined in the Security Assignment) and Collateral (as defined in the Bank Security Agreement).

2. The Lessor does hereby acknowledge the Lessee's payment of the Purchase Price; and (a) any and all Liens under the Lessor Security Agreement are hereby released and canceled; and (b) the Lease is hereby terminated and canceled with respect to the Equipment, and the Lessor does hereby grant, bargain, sell, transfer and convey unto the Lessee without recourse or warranty except as provided in this paragraph all of its right, title and interest in and to the Equipment, including any and all rights in the Assignment, "as is, where is," free and clear of all right, title and interest of the Lessor and the Lessor's Liens, to have and to hold all and singular the Equipment unto the Lessee, its successors and assigns forever;

provided that the Lessee agrees that nothing contained herein shall prejudice those rights of the Lessor which are intended under the Lease to survive the termination thereof.

3. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

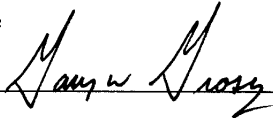
4. This Agreement shall be filed with the Surface Transportation Board and, upon such filing, each of the documents described on Exhibit B attached hereto, and the interests of the parties evidenced thereby, shall be terminated or released, as the case may be, with respect to the Equipment.

5. This Agreement shall be governed by and construed in accordance with the laws of Japan.

Bill of Sale
NBB Bethlehem/Union Pacific

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this instrument to be duly executed in its corporate name by its officers thereunto duly authorized, all as of the date first above written.

UNION PACIFIC RAILROAD COMPANY,
as Lessee

By: 

Name: Gary W. Grosz

Title: Assistant Treasurer

Bill of Sale
NBB Bethlehem/Union Pacific

NBB BETHLEHEM LEASE CO., LTD.,
as Lessor

By: Tom Tuggle

Name: Tom Tuggle

Title: Attorney-in-fact

Bill of Sale
NBB Bethlehem/Union Pacific

THE SUMITOMO MITSUI BANKING
CORPORATION (formerly, The Sumitomo Bank,
Limited), NEW YORK BRANCH,
as Lender and Agent

By: 

Name: A. Galluzzo

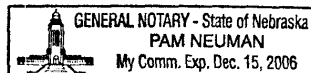
Title: Senior Vice President

Bill of Sale
NBB Bethlehem/Union Pacific

State of Nebraska)
) ss
County of Douglas)

On this 14th day of January, 2005, before me, a notary public, personally appeared Greg W. Gause, to me personally known, who being by me duly sworn says that he is the Assistant Treasurer of UNION PACIFIC RAILROAD COMPANY and that said instrument was executed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Notarial Seal)



Pam Neuman
Notary Public

My Commission Expires: 12-15-06

Bill of Sale
NBB Bethlehem/Union Pacific

State of New York)
)
County of New York) ss

KAREN A. HOULIHAN
Notary Public, State of New York
No. 01HO6051904
Qualified in New York County
Commission Expires December 4, 2002⁶

On this 26th day of January, 2005, before me, a notary public, personally appeared Tom Tuggle, to me personally known, who being by me duly sworn says that he is the Attorney-in-fact of NBB BETHLEHEM LEASE CO., LTD. and that said instrument was executed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Notarial Seal)

Karen A. Houlihan
Notary Public

My Commission Expires:

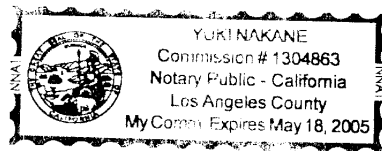
Bill of Sale
NBB Bethlehem/Union Pacific

State of California)
)
County of Los Angeles) ss

On this 18th day of January, 2005, before me, a notary public, personally appeared Albert Andrew Galluzzo, to me personally known, who being by me duly sworn says that he is the Senior Vice President of THE SUMITOMO MITSUI BANKING CORPORATION (formerly, the Sumitomo Bank, Limited), NEW YORK BRANCH, as Lender and Agent and that said instrument was executed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Notarial Seal)


Notary Public



My Commission Expires:

Exhibit A

SCHEDULE OF EQUIPMENT

| <u>Description</u> | <u>Quantity</u> | <u>Road Number</u> |
|--|-----------------|----------------------------|
| General Motors Corporation (Electro-Motive Division) SD-60 Diesel Electric Locomotives | 27 | UP6216 - UP6242, inclusive |

Exhibit B

ORIGINAL SURFACE TRANSPORTATION BOARD FILINGS

| <u>Description</u> | <u>Date Filed</u> | <u>Recordation Number</u> |
|--|-------------------|---------------------------|
| Lease Agreement dated as of January 31, 1991 | January 31, 1991 | 17214 |
| Mortgage, Assignment and Security Agreement dated as of January 31, 1991 | January 31, 1991 | 17214-A |
| Lessor Security Agreement dated as of January 31, 1991 | January 31, 1991 | 17214-B |
| Lease Supplement No. 1 dated Dated as of January 31, 1991 | January 31, 1991 | 17214-C |
| Assignment Agreement dated as of January 31, 1991 | January 31, 1991 | 17214-D |
| Bank Security Agreement dated as of January 31, 1991 | January 31, 1991 | 17214-E |